GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2495
ANSWERED ON:31.07.2017
Tea and Coffee Export
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there has been a dip in the exports of Tea/Coffee recently and loss of market share in international market;
(b) if so, the details thereof including the financial figures along with the reasons therefor;
(c) the measures being taken to recover/increase their market share; and
(d) whether the Tea Estates of Southern India are facing severe drought and if so, the measures being taken to help them?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): There has been a decrease in quantity of around 6 Million Kgs. of tea export in 2016 as compared to 2015. The details of Indian tea export during last three years along with market shares are given below:
Year Quantity exported (in m. Kg) Value (RsCrores) India's Share in international market (%)
2014 207.44 4054.02 11.36
2015 228.66 4355.32 12.71
2016 222.45 4468.11 12.47

The decrease in quantity of exports of tea during 2016 is primarily attributed to bumper crop and competitive prices offered by Kenya which affected India"s exports to the major CTC tea markets in general and Pakistan & UK in particular. At the same time, tea production in South India had been lower by around 17 Million of Kgs. while gaining on the pricing front. This affected exports to Russia and Pakistan in particular, who primarily import lower- priced teas.

As far as coffee is concerned, the exports and international market share of Indian coffee have shown an increase as detailed below:
Year Quantity (Tonnes) Value
(Rs.Crores) India's Share in international market (%)
2014 287360 4840 4.17
2015 306114 5158 4.48
2016 358610 5529 5.33

(c): In order to increase share of Indian tea and coffee in the international market, focused and sustained initiatives such as arranging buyer-seller meets, effecting exchange of delegations, participating in international trade fairs and undertaking generic promotion of Indian Brands in key markets are taken up by the Tea Board and the Coffee Board.
(d): The month wise rainfall data of the tea planting districts in the various states of south India shows that there is no drought in the Southern States. However, during the year 2016 a widespread drought occurred in the Southern States which adversely affected production of tea.
The Tea Board is extending financial assistance for setting up of irrigation facilities to the tune of 25 per cent of capital cost not exceeding Rs.80,000/- per hectare with the ceiling limit of 200 hectare per garden. Pradhan Mantri Krishi Sinchai Yojana (PMKSY) has been extended to small growers of plantation crops including tea.
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